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TAGS: [TPSA](#) [PREL](#) [ETTC](#) [ECON](#) [CH](#) [TW](#)  
SUBJECT: TAIWAN LOOKING TO EUROPE FOR SATELLITES?

REF: TAIPEI 02379

Classified By: AIT DDIR ROBERT WANG FOR REASONS 1.4 B/D

11. (S/NF) SUMMARY. This is an action cable see para 6. National Space Program Office (NSPO) Director Lance Wu complained to AIT that USG restrictions on Taiwan access to flight software complicates control of Formosat-3. He appealed for help in obtaining access to the software, suggesting that Taiwan may well seek non-U.S. sources for future satellite projects. Wu told AIT that he recently talked with Swedish aerospace companies at Kiruna about a joint venture to launch micro-satellites. He mentioned delays in the "Cyclops" high-resolution satellite program (reftel) and funding shifts to the Ministry of National Defense (MND) and away from the National Science Council (NSC).

FORMOSAT 3 AND LACK OF FLIGHT SOFTWARE

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12. (S/NF) NSPO Director Lance Wu told AIT during a lunch meeting on August 8 that the Formosat-3 program, which put 6 Taiwan satellites into orbit in May, is hobbled by U.S. refusal to share the flight data software. Wu said the USG restrictions require painstaking ground control to avoid overheating during battery recharging and the solar panels cannot be fully extended lest they generate too much heat. Wu also complained that the proper sequence to fire the thrusters to position the satellites must be done on a trial and error basis. All these glitches, Wu added, could be easily solved with the flight software. Manual control of the flight orbit has increased the fuel expenditure of the satellites and shortened their life. Wu said the flight software is not "secret" yet U.S. agencies did not permit Orbital Sciences Corporation to release this information to NSPO.

NSPO TOLD TO LOOK ELSEWHERE FOR FUTURE PROJECTS

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13. (S/NF) Wu said that as a result of the problems experienced with Formosat-3 he had been told by higher ups (unspecified) at NSC to look for non-U.S. partners in future satellite projects. Wu declined to say which non-U.S. companies he has approached to date. Wu said that the French-built Formosat-2 came with the flight software and

therefore NSPO had experienced none of the problems associated with Formosat-3. Wu said NSPO wants to continue the business partnership with the U.S. on the Cyclops program because the U.S. has allowed Taiwan more coverage over sensitive areas scanned by the satellite (read PRC) than had the Europeans. However, he said the lack of cooperation on flight software did not bode well for future contracts with U.S. satellite manufacturers.

#### CYCLOPS AND LEGISLATOR INTERFERENCE

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¶4. (S/NF) Wu was very guarded about the status of the Cyclops project, a high resolution remote sensing satellite to be built in the U.S. (reftel). Wu said that because funding for Cyclops comes from the NSC, the budget is available to the Legislative Yuan (LY) and various legislators have been pushing for a particular contractor to get the project. He said one way to avoid legislative interference of this kind is to shift the project and funding to the Ministry of National Defense (MND). MND funding, he suggested, would not be open for discussion in the LY. Nevertheless, he said the failure of Taiwan to obtain flight software for FORMOSAT -3 means there is a possibility that contracts would be awarded to non-U.S. sources. He said that a decision would have to be made by October 2006 whether to continue cooperation with U.S. companies on this project.

#### MICRO-SATELLITES: SWEDISH MECHANICS COUPLED WITH TAIWAN ELECTRONICS

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¶5. (S/NF) Wu said he had just returned from a 10-day trip to the city of Kiruna in northern Sweden where he consulted with Swedish aerospace companies about possible satellite joint ventures. Kiruna provides ground equipment to support operational control of many international satellites, including Formosat-2. Wu noted Swedish expertise in micromechanical electrical systems (MEMS) complements Taiwan expertise in micro integrated electronic components and would facilitate the building of micro-satellites at one tenth the cost of satellites built by the U.S. Without providing any specifics, Wu said he envisions working with the Swedes to build micro-satellites about the size of a laptop, equipped with specific sensors that could be launched 30 at a time, possibly via a SPACE-X launcher. Wu said he had not informed his superiors at the National Science Council about this idea but that it would likely be funded internally by NSPO. Wu hoped to be able to launch within three years and he was expecting Swedish scientists to visit NSPO in late August.

#### COMMENT and ACTION REQUEST

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¶6. (S/NF) AIT believes that Wu is overly optimistic about his chances of cooperation with European and other non-U.S. satellite sources. Wu knows that Taiwan needs to continue cooperation with U.S. satellite service providers because this is the only way Taiwan will be able to get coverage of sensitive areas on mainland China. We are not in a position to assess the ability of Taiwan to work with Swedish firms to develop micro-satellites on its own. However, Wu in this and reftel conversation has strongly suggested that at least some elements of the Taiwan authorities are intent on seeking non-U.S. sources to develop their satellite program. We request Washington agencies' guidance on appropriate responses to the issues raised by Wu. END COMMENT

YOUNG